

EXHIBIT B

Gemini Real Estate Advisors
New York Portfolio
Bryant Park Development Site
Best Western Seaport Acquisition & Redevelopment

Confidential Broker's Opinion of Value

Presented to:



by:

Robert Douglas

October, 2014



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I. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

TOP TIER MARKET. UNCAPPED POTENTIAL.

EXTREMELY BROAD APPEAL → MAXIMUM COMPETITION

- **First Class Location:** Manhattan is one of the world's strongest and most highly sought after hotel markets. Investors need no introduction to the story:
 - **Myriad demand drivers + international investor appeal = premium valuation**
- **Assets Unencumbered by Brand or Management:** The Gemini portfolio offers investors, brands, and operators a rare opportunity to expand their presence in the nation's top lodging market, an element that will **draw in the maximum number of bidders to the investment sale process.**
- **Portfolio Effect Could Drive Substantial Upside to Valuation:** Sold as a package deal, the development sites offer strategic buyers a unique opportunity to immediately build or expand a boutique lifestyle hotel brand in the nation's most desirable market.
- **Multiple Viable Business Plans: Broader appeal = more competition.** Affiliate with or acquire the Jade and "Jade" brand; acquire to expand an existing brand's footprint; redevelop for third party management; redevelop for alternative non-hotel use. Comparably located developable sites with this degree of flexibility are scarce.



VALUE CONCLUSIONS

Based on our analysis and perspective on the current environment for Manhattan hotel development transactions, we conclude that the market value of the combined portfolio of Gemini development assets is approximately **\$52-55 million**. Our primary methodology for this valuation is the income approach, with projections underwritten to levered returns at the ~20% mark, with a secondary reliance on a review of comparable transactions. Our opinion of value conclusions are summarized in the tables below:

Bryant Park

	Market Value	Capex	Total Basis	2014 Forecast Cap Rate	Residual Cap Rate	Gross Residual Value	Unlevered IRR	Levered IRR
Aggregate	19,500,000	45,070,400	65,252,900			103,756,485		
Per Key	171,053	395,354	572,394	n/a	6.0%	910,145	12.7%	20.2%
Per GSF*	449	850	1,231			1,957		

*"Market Value" sf based on FAR square feet. "Capex" and "Total Basis" sf based on gross buildable square footage including cellar and rooftop space

Seaport

	Market Value	Capex	Total Basis	2014 Forecast Cap Rate	Residual Cap Rate	Gross Residual Value	Unlevered IRR	Levered IRR
Aggregate	34,250,000	5,400,000	40,335,000			49,583,471		
Per Key	475,694	75,000	560,208	6.0%	7.0%	688,659	9.7%	19.7%

Combined Valuation

53,750,000

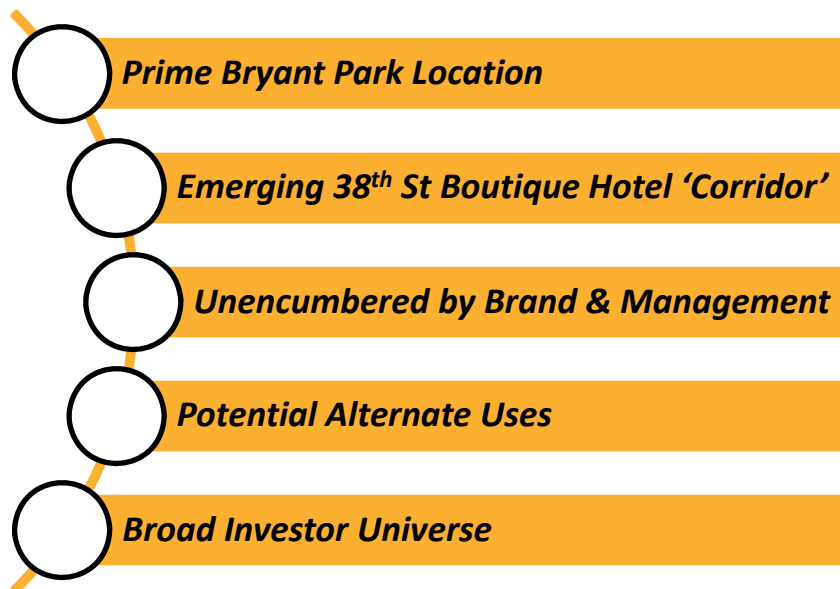


II. VALUATION ANALYSIS: BRYANT PARK

BRYANT PARK SITE: 34-36 W 38TH STREET

VALUATION STORY: LOCATION, TIMING, UPSIDE

The **Bryant Park** development project is a highly attractive real estate asset with multiple compelling value drivers:



Prospective buyers will regard this project as a rare opportunity to own a fully-entitled midtown Manhattan development site in a trendy and up-and-coming submarket. We believe a well-managed investment sale process will attract a tremendous degree of interest from hoteliers looking to expand their footprint in one of the most profitable lodging markets in the world.

Site Location: 34-36 W 38th Street (adjacent mid-block lots between 5th and 6th Avenues)

Combined Lot Size: 4,345 sf

Buildable FAR Square Feet: 43,450 sf

Proposed Key Count: 114



BRYANT PARK: VALUATION

KEY ASSUMPTIONS TO THE PRO FORMA

- **General**
 - We assume closing occurs on December 31, 2014, with the new owner assuming control of the asset on January 1, 2015
 - Construction is expected to take 24 months, with the Property opening January 1, 2017
 - We have modeled a 7-yr hold period
 - We assume a 'next owner' business plan conceptually similar to the Jade project (i.e. development of a boutique independent hotel)
- **Development Costs**
 - Total development costs incurred by new owner of \$37.3m, or \$850 per buildable square foot. We assume these costs are spread evenly over a two-year development program
- **Penetration Analysis**
 - We assume the property will compete with a broad set of boutique 'lifestyle' properties in the Bryant Park district. We assume the new hotel stabilizes quickly after opening, reaching occupancy and ADR penetrations of 104% and 90%, respectively, in 2019, yielding a stabilized RevPAR penetration of 98.8%
- **Pro Forma P&L Projections**
 - Rooms department expenses of \$90 Per Occupied Room ("POR")
 - Stabilized F&B revenue and margins of \$90 POR and 15%, respectively
 - Undistributed and Fixed Expense assumptions are based on costs incurred by comparable properties
 - Management Fees and FF&E Reserve have been forecast at 4% and 3%, respectively, of total , which we consider to be reasonable for an independent upper-upscale property of this nature
 - Insurance and Property Taxes have been forecast based on guidance from Gemini and the performance of comparable hotels
- **Debt**
 - We assume the sponsor secures delayed-draw style development financing at a 65% LTC, with pricing fixed at 3.5% on an I/O basis. In addition to standard carve outs, the loan would also include completion and repayment guarantees
 - The analysis assumes the construction loan is refinanced in December 2019 with a 4.5% term facility amortizing over a 30 year schedule, with proceeds sized off a 10% debt yield on trailing-12-month cashflow at the time of the loan closing

BRYANT PARK: VALUATION

PENETRATION ANALYSIS

	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Proj. 2014	Proj. 2015	Proj. 2016	Proj. 2017	Proj. 2018	Proj. 2019	Proj. 2020	Proj. 2021	Proj. 2022	Proj. 2023	Proj. 2024
COMPETITIVE SET																	
Jade Hotel Bryant Park	0	0	0	0	0	0	0	0	0	114	114	114	114	114	114	114	114
Competitive Properties	767	796	943	943	1,070	1,243	1,429	1,488	1,488	1,488	1,488	1,488	1,488	1,488	1,488	1,488	1,488
Total Comp Set Supply	767	796	943	943	1,070	1,243	1,429	1,488	1,488	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,602
Available Rooms	279,955	290,691	344,195	344,195	390,395	453,780	521,520	543,120	543,120	584,730	584,730	584,730	584,730	584,730	584,730	584,730	584,730
% Chg in Supply	0.0%	3.8%	18.4%	0.0%	13.4%	16.2%	14.9%	4.1%	0.0%	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Comp Set Occupancy	83.2%	80.6%	84.2%	82.6%	81.3%	82.7%	85.6%	86.0%	86.0%	86.0%	86.0%	86.0%	86.0%	86.0%	86.0%	86.0%	86.0%
Total Occupied Rooms	232,922	234,381	289,712	284,292	317,363	375,110	446,194	466,998	466,998	502,776	502,776	502,776	502,776	502,776	502,776	502,776	502,776
% Chg in Demand		0.6%	23.6%	(1.9%)	11.6%	18.2%	3.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Comp Set ADR	\$364.56	\$268.67	\$278.36	\$291.87	\$304.20	\$320.51	\$326.92	\$339.99	\$356.99	\$367.70	\$378.74	\$390.10	\$401.80	\$413.85	\$426.27	\$439.06	\$452.23
% Chg in ADR		(26.3%)	3.6%	4.9%	4.2%	5.4%	2.0%	4.0%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Comp Set RevPAR	\$303.31	\$216.63	\$234.30	\$241.07	\$247.29	\$264.94	\$279.70	\$292.34	\$306.96	\$316.17	\$325.65	\$335.42	\$345.49	\$355.85	\$366.53	\$377.52	\$388.85
% Chg in RevPAR		(28.6%)	8.2%	2.9%	2.6%	7.1%	5.6%	4.5%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Property Occupancy	-	-	-	-	-	-	-	-	-	73.1%	81.7%	89.4%	89.4%	89.4%	89.4%	89.4%	89.4%
Penetration	-	-	-	-	-	-	-	-	-	85.0%	95.0%	104.0%	104.0%	104.0%	104.0%	104.0%	104.0%
Property ADR	-	-	-	-	-	-	-	-	-	\$294.16	\$359.80	\$370.59	\$381.71	\$393.16	\$404.96	\$417.11	\$429.62
Penetration	-	-	-	-	-	-	-	-	-	80.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
% Chg in ADR	-	-	-	-	-	-	-	-	-	22.3%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Property RevPAR	-	-	-	-	-	-	-	-	-	\$214.99	\$293.90	\$331.40	\$341.34	\$351.58	\$362.13	\$372.99	\$384.18
Penetration	-	-	-	-	-	-	-	-	-	68.0%	90.3%	98.8%	98.8%	98.8%	98.8%	98.8%	98.8%
% Chg in RevPAR	-	-	-	-	-	-	-	-	-	36.7%	12.8%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

COMPETITIVE PROPERTIES

Name	Rooms	Year Opened
Morgans Hotel	117	1985
Kitano Hotel	149	1972
Kimpton 70 Park Ave	205	1929
Bryant Park Hotel	128	2001
The Strand	176	2009
Royalton Hotel	168	1988
Refinery Hotel	197	2013
The Nomad Hotel	168	2012
Archer Hotel	180	2014

BRYANT PARK: VALUATION

PRO FORMA CASH FLOWS

(\$ in thousands)	Proforma 2017				Proforma 2018				Proforma 2019				Proforma 2020				Proforma 2021			
Occupancy	73.1%				81.7%				89.4%				89.4%				89.4%			
ADR	\$ 294.16				\$ 359.80				\$ 370.59				\$ 381.71				\$ 393.16			
% Change	n/a				22.3%				3.0%				3.0%				3.0%			
RevPAR	\$ 214.99				\$ 293.90				\$ 331.40				\$ 341.34				\$ 351.58			
% Change	n/a				36.7%				12.8%				3.0%				3.0%			
Gross Revenue	\$	%	POR	PAR	\$	%	POR	PAR	\$	%	POR	PAR	\$	%	POR	PAR	\$	%	POR	PAR
Rooms	8,946	78.5%	294.16	78,473	12,229	80.3%	359.80	107,274	13,789	79.4%	370.59	120,960	14,203	79.4%	381.71	124,589	14,629	79.4%	393.16	128,327
Food & Beverage	2,433	21.4%	80.00	21,341	2,976	19.5%	87.55	26,103	3,553	20.5%	95.48	31,165	3,659	20.5%	98.35	32,100	3,769	20.5%	101.30	33,063
Minor Ops & Other	15	0.1%	0.50	133	18	0.1%	0.52	154	20	0.1%	0.53	173	20	0.1%	0.55	178	21	0.1%	0.56	184
Total Gross Revenue	11,394	100.0%	374.66	99,948	15,223	100.0%	447.86	133,531	17,362	100.0%	466.60	152,298	17,883	100.0%	480.60	156,867	18,419	100.0%	495.02	161,573
Departmental Expenses																				
Rooms	2,737	30.6%	90.00	24,009	3,151	25.8%	92.70	27,639	3,553	25.8%	95.48	31,165	3,659	25.8%	98.35	32,100	3,769	25.8%	101.30	33,063
Food & Beverage	2,190	90.0%	72.00	19,207	2,529	85.0%	74.42	22,188	3,020	85.0%	81.16	26,490	3,110	85.0%	83.59	27,285	3,204	85.0%	86.10	28,103
Minor Ops & Other	23	148.0%	0.74	197	23	132.4%	0.68	203	24	120.9%	0.64	209	25	120.9%	0.66	216	25	120.9%	0.68	222
Total Departmental Expenses	4,949	43.4%	162.74	43,414	5,703	37.5%	167.80	50,029	6,596	38.0%	177.28	57,864	6,794	38.0%	182.60	59,600	6,998	38.0%	188.08	61,388
Total Departmental Profit	6,445	56.6%	211.92	56,534	9,519	62.5%	280.06	83,501	10,765	62.0%	289.32	94,434	11,088	62.0%	298.00	97,267	11,421	62.0%	306.94	100,185
Undistributed Expenses																				
Administrative & General	550	4.8%	18.09	4,825	567	3.7%	16.67	4,969	583	3.4%	15.68	5,118	601	3.4%	16.15	5,272	619	3.4%	16.64	5,430
Credit Card Commissions	285	2.5%	9.37	2,499	381	2.5%	11.20	3,338	434	2.5%	11.67	3,807	447	2.5%	12.02	3,922	460	2.5%	12.38	4,039
Sales & Marketing	825	7.2%	27.13	7,237	850	5.6%	25.00	7,454	875	5.0%	23.52	7,678	901	5.0%	24.23	7,908	929	5.0%	24.95	8,145
Property Operations & Maintenance	370	3.2%	12.17	3,246	381	2.5%	11.21	3,343	393	2.3%	10.55	3,443	404	2.3%	10.87	3,547	416	2.3%	11.19	3,653
Utilities	262	2.3%	8.60	2,294	301	2.0%	8.86	2,641	339	2.0%	9.12	2,978	350	2.0%	9.40	3,067	360	2.0%	9.68	3,159
Total Undistributed Expenses	2,291	20.1%	75.35	20,100	2,479	16.3%	72.93	21,746	2,625	15.1%	70.54	23,025	2,704	15.1%	72.66	23,715	2,785	15.1%	74.84	24,427
Gross Operating Profit	4,153	36.5%	136.58	36,434	7,040	46.2%	207.13	61,756	8,141	46.9%	218.78	71,409	8,385	46.9%	225.34	73,552	8,636	46.9%	232.10	75,758
Management Fees	342	3.0%	11.24	2,998	457	3.0%	13.44	4,006	521	3.0%	14.00	4,569	536	3.0%	14.42	4,706	553	3.0%	14.85	4,847
Income Before Fixed Expenses	3,812	33.5%	125.34	33,436	6,583	43.2%	193.69	57,750	7,620	43.9%	204.78	66,840	7,848	43.9%	210.93	68,846	8,084	43.9%	217.25	70,911
Fixed Expenses																				
Insurance	96	0.8%	3.16	842	99	0.6%	2.91	867	102	0.6%	2.74	893	105	0.6%	2.82	920	108	0.6%	2.90	948
Taxes	901	7.9%	29.61	7,900	928	6.1%	27.29	8,137	955	5.5%	25.68	8,381	984	5.5%	26.45	8,633	1,014	5.5%	27.24	8,892
Total Fixed Expenses	997	8.7%	32.77	8,742	1,026	6.7%	30.20	9,004	1,057	6.1%	28.41	9,274	1,089	6.1%	29.27	9,553	1,122	6.1%	30.15	9,839
EBITDA	2,815	24.7%	92.57	24,694	5,557	36.5%	163.49	48,746	6,563	37.8%	176.37	57,566	6,759	37.8%	181.66	59,293	6,962	37.8%	187.11	61,072
FF&E Reserve	228	2.0%	7.49	1,999	457	3.0%	13.44	4,006	694	4.0%	18.66	6,092	715	4.0%	19.22	6,275	737	4.0%	19.80	6,463
Net Operating Income	2,587	22.7%	85.07	22,695	5,100	33.5%	150.06	44,740	5,868	33.8%	157.70	51,474	6,044	33.8%	162.43	53,018	6,225	33.8%	167.31	54,609

BRYANT PARK: VALUATION

DISCOUNTED CASH FLOWS

Bryant Park Development Site, New York, NY

Discounted Cash Flow Analysis

Acquisition Assumptions		Per Key
Sale Value	19,500,000	171,053
Closing Costs	3.5% 682,500	5,987
CapEx/PIP	45,070,400	395,354
Net Value	65,252,900	572,394
Disposition Assumptions		Per Key
Exit Cap Rate	6.0%	
Exit Year	Year 7	
Exit Year NOI	6,225,389	
Gross Sales Proceeds	103,756,485	910,145
Less: Sales Costs	2.0% (2,075,130)	
Net Sales Proceeds	101,681,355	891,942

	Cap Rate				EBITDA Multiple	
	NOI	Purchase Price	Total Investment	EBITDA	Purchase Price	Total Basis
Proforma Year 1	-	-	-	-	-	-
Proforma Year 2	-	-	-	-	-	-
Proforma Year 3	2,587,194	13.3%	4.0%	2,815,074	6.9x	23.2x
Proforma Year 4	5,100,314	26.2%	7.8%	5,556,990	3.5x	11.7x
Proforma Year 5	5,868,026	30.1%	9.0%	6,562,505	3.0x	9.9x
Proforma Year 6	6,044,067	31.0%	9.3%	6,759,380	2.9x	9.7x
Proforma Year 7	6,225,389	31.9%	9.5%	6,962,161	2.8x	9.4x

UNLEVERED ANALYSIS

Proforma Year	0	1	2	3	4	5	6	7
Year Ended	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21
Net Operating Income	-	-	-	2,587,194	5,100,314	5,868,026	6,044,067	6,225,389
Purchase Price + Closing Costs	(20,182,500)	-	-	-	-	-	-	-
Development Costs	-	(22,535,200)	(22,535,200)	-	-	-	-	-
Capital Expenditures	-	-	-	-	-	-	-	-
Net Sales Proceeds	-	-	-	-	-	-	-	101,681,355
Unlevered Cash Flow	(20,182,500)	(22,535,200)	(22,535,200)	2,587,194	5,100,314	5,868,026	6,044,067	107,906,744

UNLEVERED IRR 12.7%

Yield on Cost		0.0%	0.0%	4.0%	7.8%	9.0%	9.3%	9.5%
Holding Period Average	5.7%							

Unlevered Equity	65,252,900
Unlevered Profits	127,506,346
Unlevered Multiple	1.95x

BRYANT PARK: VALUATION

LEVERED RETURN ANALYSIS

Bryant Park Development Site, New York, NY

Levered Return Analysis

Acquisition Financing Parameters	
Loan to Cost	65.0%
Total Proceeds	42,414,385
All-In Rate	3.50%
Amortization	Interest Only

Refinancing Parameters	
Total Proceeds	58,680,000
Refinance Month	Dec-19
Yield on T-12 NOI	10.0%
All-In Rate	4.50%
Amortization	30 yrs

Proforma Year	0	1	2	3	4	5	6	7
Year Ended	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21
Loan Balance	-	19,879,185	42,414,385	42,414,385	42,414,385	58,680,263	57,733,617	56,743,483
Unlevered Cash Flow	(20,182,500)	(22,535,200)	(22,535,200)	2,587,194	5,100,314	5,868,026	6,044,067	107,906,744
Loan Proceeds	-	19,879,185	22,535,200	-	-	-	-	-
Financing Costs	-	(198,792)	(225,352)	-	-	(586,803)	-	-
Debt Service	-	(695,771)	(1,484,503)	(1,484,503)	(1,484,503)	(1,484,503)	(3,567,891)	(3,567,891)
Capital Expenditures	-	-	-	-	-	-	-	-
Refi Proceeds	-	-	-	-	-	16,265,878	-	-
Debt Repayment	-	-	-	-	-	-	-	(56,743,483)
Levered Cash Flow	(20,182,500)	(3,550,578)	(1,709,855)	1,102,690	3,615,811	20,062,598	2,476,176	47,595,370

LEVERED IRR	20.2%
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DSCR	0.00x	0.00x	1.74x	3.44x	3.95x	1.69x	1.74x
Debt Yield	0.0%	0.0%	6.1%	12.0%	10.0%	10.5%	11.0%

Cash on Cash Yield	-3.9%	-7.5%	4.8%	15.8%	87.8%	10.8%	208.4%
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Levered Equity	22,838,515
Levered Profits	72,248,227
Levered Multiple	3.16x



III. VALUATION ANALYSIS: BEST WESTERN SEAPORT

SEAPORT SITE: 33 PECK SLIP

VALUATION STORY: REFRESH & REINVIGORATE

The acquisition and redevelopment of the **Best Western Seaport** offers substantial value opportunities to a next investor as a cash-flowing asset with strong 'curb appeal' and local uplift potential driven by ongoing redevelopment of the emerging Seaport and Financial District neighborhoods:



Strong occupancy performance at the existing Best Western property demonstrates the depth of market at this compelling site. The surrounding area is well-suited for a lifestyle hotel concept, while the attractive street-level facade and strategic corner location will support a well-executed F&B concept.

Site Location: 33 Peck Slip (corner lot at intersection of Peck Slip and Front Street)

Existing Property: Best Western Plus Seaport Inn Downtown

Existing and Proposed Key Count: 72

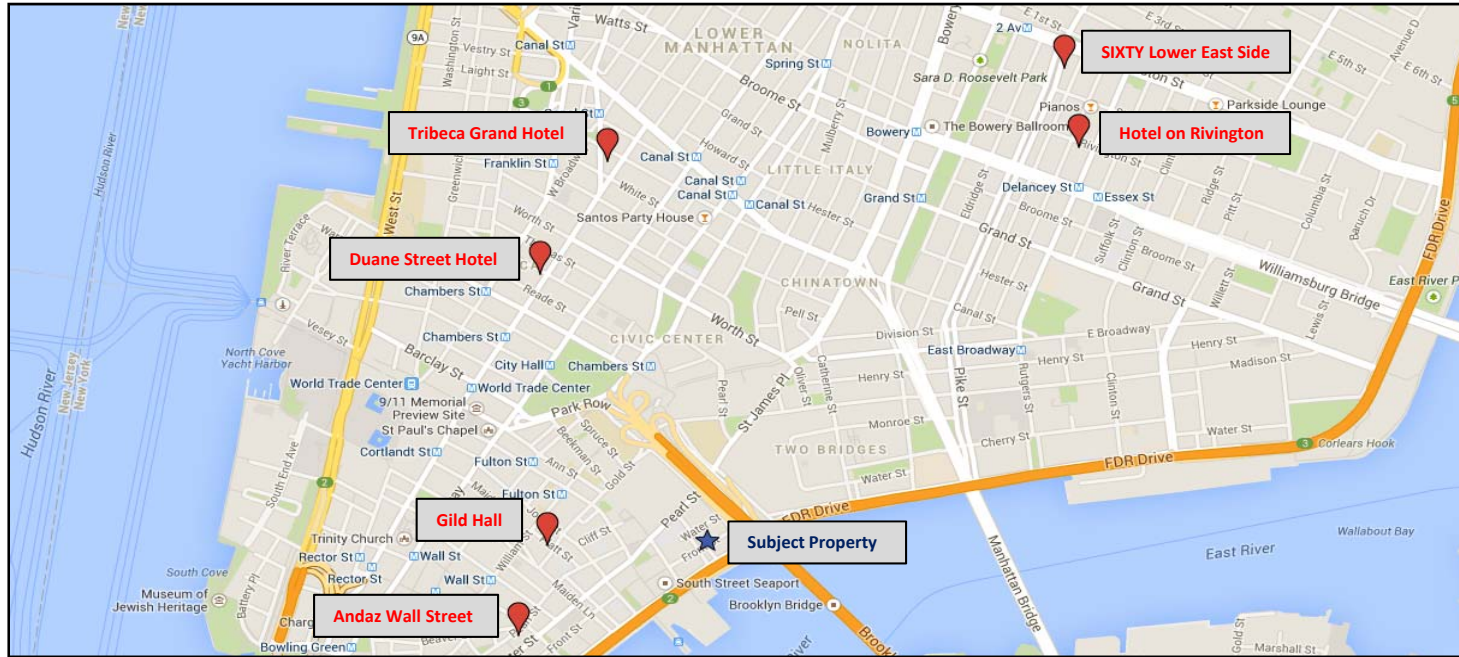


SEAPORT: VALUATION

KEY ASSUMPTIONS TO THE PRO FORMA

- **General**
 - We assume closing occurs on December 31, 2014, with the new owner assuming control of the asset on January 1, 2015
 - We have modeled a 7-yr hold period
 - We assume a 'next owner' business plan conceptually similar to the Jade project (i.e. development of a boutique independent hotel)
- **Development Costs**
 - Total development costs incurred by new owner of \$5.40m, or \$75,000 per key. We assume the renovation is conducted in 2015, and have applied a reasonable reduction to rate and occupancy penetration in that year to account for disruption to hotel operations
- **Penetration Analysis**
 - We assume the property will ultimately compete with a number of lifestyle properties across downtown Manhattan, including hotels from the Lower East Side, Financial District, and Tribeca submarkets. Following renovation, we assume the property will stabilize in 2017 with occupancy and ADR of 86.9% and \$322, respectively, yielding a stabilized RevPAR index of 93.9%
- **Pro Forma P&L Projections**
 - Rooms department expenses of \$75 Per Occupied Room ("POR")
 - Stabilized F&B revenue and margins of \$100 POR and 20%, respectively
 - Undistributed and Fixed Expense assumptions are based on costs incurred by comparable properties
 - Management Fees and FF&E Reserve have been forecast at 4% and 3%, respectively, of total , which we consider to be reasonable for an independent upper-upscale property of this nature
 - Insurance and Property Taxes have been forecast based on guidance from Gemini and the performance of comparable hotels
- **Debt**
 - We assume the 2014 acquisition and subsequent renovation project is financed with a 65% LTC term loan, drawn immediately, priced at 4.5% I/O
 - We assume a refinancing in loan is priced at 4.5% with a 30-year amortization schedule and sizing based on a 10% debt yield

SEAPORT PROJECT: COMPETITIVE SET MAP



	Jade Hotel Seaport	Sixty LES	Hotel on Rivington	Andaz Wall Street	Tribeca Grand	Duane Street Hotel	Thompson Hotels Gild Hall
Address	33 Peck Slip	190 Allen Street	107 Rivington Street	75 Wall Street	2 Avenue of the Americas	130 Duane Street	15 Gold Street
Keys	72	141	103	253	201	43	126
Opened	1993	2008	2004	2010	2000	2007	1999
Brand	Best Western	Independent	Independent	Andaz	Independent	Independent	Thompson
F&B Outlets	TBD	3	3	2	2	2	2

SEAPORT: VALUATION

PENETRATION ANALYSIS

	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Proj. 2014	Proj. 2015	Proj. 2016	Proj. 2017	Proj. 2018	Proj. 2019	Proj. 2020
COMPETITIVE SET													
Best Western Seaport	72	72	72	72	72	72	72	72	72	72	72	72	72
Competitive Properties	549	619	872	872	872	872	872	872	872	872	872	872	872
Total Comp Set Supply	621	691	944	944	944	944	944	944	944	944	944	944	944
Available Rooms	226,694	252,215	344,560	344,560	344,560	344,560	344,560	344,560	344,560	344,560	344,560	344,560	344,560
% Chg in Supply	21.6%	11.3%	36.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Comp Set Occupancy	75.7%	79.9%	76.3%	80.9%	80.5%	82.2%	84.3%	85.6%	86.0%	86.0%	86.0%	86.0%	86.0%
Total Occupied Rooms	171,564	201,578	262,978	278,709	277,227	283,377	290,461	294,818	296,292	296,292	296,292	296,292	296,292
% Chg in Demand		17.5%	30.5%	6.0%	(0.5%)	2.2%	2.5%	1.5%	0.5%	0.0%	0.0%	0.0%	0.0%
Comp Set ADR	\$360.92	\$264.10	\$283.76	\$297.28	\$299.23	\$307.89	\$307.89	\$317.12	\$332.98	\$346.30	\$356.69	\$367.39	\$378.41
% Chg in ADR		(26.8%)	7.4%	4.8%	0.7%	2.9%	0.0%	3.0%	5.0%	4.0%	3.0%	3.0%	3.0%
Comp Set RevPAR	\$273.14	\$211.08	\$216.57	\$240.46	\$240.76	\$253.22	\$259.55	\$271.34	\$286.33	\$297.79	\$306.72	\$315.92	\$325.40
% Chg in RevPAR		(22.7%)	2.6%	11.0%	0.1%	5.2%	2.5%	4.5%	5.5%	4.0%	3.0%	3.0%	3.0%
Property Occupancy	85.4%	75.7%	77.4%	76.1%	78.2%	75.0%	90.2%	74.4%	83.4%	86.9%	86.9%	86.9%	86.9%
Penetration	112.8%	94.7%	101.4%	94.1%	97.2%	91.2%	107.0%	87.0%	97.0%	101.0%	101.0%	101.0%	101.0%
Property ADR	\$254.89	\$201.65	\$217.75	\$220.54	\$220.20	\$217.58	\$203.21	\$253.70	\$289.69	\$322.06	\$331.72	\$341.67	\$351.92
Penetration	70.6%	76.4%	76.7%	74.2%	73.6%	70.7%	66.0%	80.0%	87.0%	93.0%	93.0%	93.0%	93.0%
% Chg in ADR		(20.9%)	8.0%	1.3%	(0.2%)	(1.2%)	(6.6%)	24.8%	14.2%	11.2%	3.0%	3.0%	3.0%
Property RevPAR	\$217.68	\$152.65	\$168.54	\$167.83	\$172.20	\$163.19	\$183.29	\$188.85	\$241.64	\$279.71	\$288.10	\$296.75	\$305.65
Penetration	79.7%	72.3%	77.8%	69.8%	71.5%	64.4%	70.6%	69.6%	84.4%	93.9%	93.9%	93.9%	93.9%
% Chg in RevPAR		(29.9%)	10.4%	(0.4%)	2.6%	(5.2%)	12.3%	3.0%	27.9%	15.8%	3.0%	3.0%	3.0%

COMPETITIVE PROPERTIES

Name	Rooms	Year Opened
Sixty LES	141	2008
Hotel On Rivington	108	2004
Andaz Wall Street	253	2010
Tribeca Grand	201	2000
Duane Street Hotel	2007	2007
Thompson Hotels Gild Hall	1999	1999

SEAPORT: VALUATION

PRO FORMA CASH FLOWS

(\$ in thousands)	Proforma 2015			Proforma 2016			Proforma 2017			Proforma 2018			Proforma 2019		
Occupancy	74.4%			83.4%			86.9%			86.9%			86.9%		
ADR	\$ 253.70			\$ 289.69			\$ 322.06			\$ 331.72			\$ 341.67		
% Change	9.8%			14.2%			11.2%			3.0%			3.0%		
RevPAR	\$ 188.85			\$ 241.64			\$ 279.71			\$ 288.10			\$ 296.75		
% Change	1.3%			27.9%			15.8%			3.0%			3.0%		
Gross Revenue	\$	%	POR	\$	%	POR	\$	%	POR	\$	%	POR	\$	%	POR
Rooms	4,963	77.8%	253.70	6,350	73.1%	289.69	7,351	74.6%	322.06	7,571	74.6%	331.72	7,799	74.6%	341.67
Telephone	2	0.0%	0.10	2	0.0%	0.10	2	0.0%	0.11	2	0.0%	0.11	3	0.0%	0.11
Other Operated Departments	22	0.3%	1.10	25	0.3%	1.13	27	0.3%	1.17	27	0.3%	1.20	28	0.3%	1.24
Food & Beverage	1,369	21.5%	70.00	2,258	26.0%	103.00	2,421	24.6%	106.09	2,494	24.6%	109.27	2,569	24.6%	112.55
Rental from Retail	25	0.4%	1.28	52	0.6%	2.35	53	0.5%	2.32	55	0.5%	2.39	56	0.5%	2.47
Total Gross Revenue	6,381	100.0%	326.18	8,687	100.0%	396.28	9,854	100.0%	431.75	10,150	100.0%	444.70	10,455	100.0%	458.04
Departmental Expenses															
Rooms	1,272	25.6%	65.00	1,693	26.7%	77.25	1,816	24.7%	79.57	1,871	24.7%	81.95	1,927	24.7%	84.41
Telephone	20	1000.0%	1.00	23	1000.0%	1.03	24	1000.0%	1.06	25	1000.0%	1.09	26	1000.0%	1.13
Other Operated Departments	10	46.5%	0.51	10	41.5%	0.47	11	39.8%	0.46	11	39.8%	0.48	11	39.8%	0.49
Food & Beverage	1,096	80.0%	56.00	1,806	80.0%	82.40	1,937	80.0%	84.87	1,995	80.0%	87.42	2,055	80.0%	90.04
Rental from Retail	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-
Total Departmental Expenses	2,397	37.6%	122.51	3,533	40.7%	161.15	3,788	38.4%	165.97	3,902	38.4%	170.94	4,019	38.4%	176.07
Total Departmental Profit	3,984	62.4%	203.67	5,154	59.3%	235.13	6,066	61.6%	265.78	6,248	61.6%	273.75	6,436	61.6%	281.97
Undistributed Expenses															
Administrative & General	370	5.8%	18.92	504	5.8%	22.98	572	5.8%	25.04	589	5.8%	25.79	606	5.8%	26.57
Sales & Marketing	274	4.3%	14.03	374	4.3%	17.04	424	4.3%	18.57	436	4.3%	19.12	450	4.3%	19.70
Property Operations & Maintenance	196	3.1%	10.00	226	2.6%	10.30	242	2.5%	10.61	249	2.5%	10.93	257	2.5%	11.26
Utilities	166	2.6%	8.50	192	2.2%	8.76	206	2.1%	9.02	212	2.1%	9.29	218	2.1%	9.57
Central Reservation	64	1.0%	3.26	87	1.0%	3.96	99	1.0%	4.32	102	1.0%	4.45	105	1.0%	4.58
Total Undistributed Expenses	1,070	16.8%	54.71	1,382	15.9%	63.04	1,542	15.6%	67.55	1,588	15.6%	69.58	1,636	15.6%	71.66
Gross Operating Profit	2,914	45.7%	148.96	3,772	43.4%	172.09	4,525	45.9%	198.23	4,660	45.9%	204.18	4,800	45.9%	210.30
Management Fees	191	3.0%	9.79	261	3.0%	11.89	296	3.0%	12.95	305	3.0%	13.34	314	3.0%	13.74
Income Before Fixed Expenses	2,723	42.7%	139.18	3,512	40.4%	160.20	4,229	42.9%	185.28	4,356	42.9%	190.84	4,486	42.9%	196.56
Fixed Expenses															
Insurance	92	1.4%	4.69	94	1.1%	4.31	97	1.0%	4.26	100	1.0%	4.39	103	1.0%	4.52
Taxes	561	8.8%	28.69	578	6.7%	26.38	596	6.0%	26.09	613	6.0%	26.87	632	6.0%	27.68
Total Fixed Expenses	653	10.2%	33.38	673	7.7%	30.68	693	7.0%	30.35	714	7.0%	31.26	735	7.0%	32.20
EBITDA	2,070	32.4%	105.79	2,839	32.7%	129.51	3,536	35.9%	154.92	3,642	35.9%	159.57	3,751	35.9%	164.36
FF&E Reserve	255	4.0%	13.05	174	2.0%	7.93	296	3.0%	12.95	406	4.0%	17.79	418	4.0%	18.32
Net Operating Income	1,814	28.4%	92.75	2,665	30.7%	121.59	3,240	32.9%	141.97	3,236	31.9%	141.78	3,333	31.9%	146.04

SEAPORT: VALUATION

DISCOUNTED CASH FLOWS

Best Western Seaport, 33 Peck Slip, New York, NY

Discounted Cash Flow Analysis

Acquisition Assumptions		Per Key
Sale Value	34,250,000	475,694
Closing Costs	2.0% 685,000	9,514
CapEx/PIP	5,400,000	75,000
Net Value	40,335,000	560,208
Disposition Assumptions		Per Key
Exit Cap Rate	7.0%	
Exit Year	Year 7	
Exit Year NOI	3,470,843	
Gross Sales Proceeds	49,583,471	688,659
Less: Sales Costs	2.0% (991,669)	
Net Sales Proceeds	48,591,801	674,886

	NOI	Cap Rate	Total Investment	EBITDA Multiple		
		Purchase Price		EBITDA	Purchase Price	Total Basis
PF Year 1	1,814,413	5.3%	4.5%	2,069,652	16.5x	19.5x
PF Year 2	2,665,296	7.8%	6.6%	2,839,029	12.1x	14.2x
PF Year 3	3,240,458	9.5%	8.0%	3,536,090	9.7x	11.4x
PF Year 4	3,236,171	9.4%	8.0%	3,642,172	9.4x	11.1x
PF Year 5	3,333,256	9.7%	8.3%	3,751,438	9.1x	10.8x
PF Year 6	3,369,750	9.8%	8.4%	3,800,477	9.0x	10.6x

UNLEVERED ANALYSIS

Proforma Year	0	1	2	3	4	5	6	7
Year Ended	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21
Net Operating Income		1,814,413	2,665,296	3,240,458	3,236,171	3,333,256	3,369,750	3,470,843
Purchase Price + Closing Costs	(34,935,000)	-	-	-	-	-	-	-
Development Costs		(5,400,000)						
Capital Expenditures		-	-	-	-	-	-	-
Net Sales Proceeds		-	-	-	-	-	-	48,591,801
Unlevered Cash Flow	(34,935,000)	(3,585,587)	2,665,296	3,240,458	3,236,171	3,333,256	3,369,750	52,062,644

UNLEVERED IRR 9.7%

Yield on Cost		4.5%	6.6%	8.0%	8.0%	8.3%	8.4%	8.6%
Holding Period Average	7.5%							

Unlevered Equity	40,335,000
Unlevered Profits	69,721,990
Unlevered IRR	9.7%
Unlevered Multiple	1.73x

SEAPORT: VALUATION

LEVERED RETURN ANALYSIS

Best Western Seaport, 33 Peck Slip, New York, NY

Levered Return Analysis

Acquisition Financing Parameters	
Loan to Value	76.5%
Loan to Cost	65.0%
Total Proceeds	26,217,750
All-In Rate	4.50%
Amortization	Interest Only

Refinancing Parameters	
Total Proceeds	32,405,000
Yield on T-12 NOI	10.0%
Refinance Month	Dec-17
All-In Rate	4.50%
Amortization	30 yrs

Proforma Year Year Ended	0 Dec-14	1 Dec-15	2 Dec-16	3 Dec-17	4 Dec-18	5 Dec-19	6 Dec-20	7 Dec-21
Loan Balance	26,217,750	26,217,750	26,217,750	32,404,579	31,881,820	31,335,045	30,763,151	30,164,985
Unlevered Cash Flow	(34,935,000)	(3,585,587)	2,665,296	3,240,458	3,236,171	3,333,256	3,369,750	52,062,644
Loan Proceeds	26,217,750							
Financing Costs	(262,178)	-	-	(324,046)	-	-	-	-
Debt Service		(1,179,799)	(1,179,799)	(1,179,799)	(1,970,271)	(1,970,271)	(1,970,271)	(1,970,271)
Refi Proceeds		-	-	6,186,829	-	-	-	-
Debt Repayment		-	-	-	-	-	-	(30,164,985)
Levered Cash Flow	(8,979,428)	(4,765,386)	1,485,498	7,923,442	1,265,900	1,362,986	1,399,480	19,927,388

LEVERED IRR 19.7%

DSCR	1.54x	2.26x	2.75x	1.64x	1.69x	1.71x	1.76x
Debt Yield	6.9%	10.2%	10.0%	10.2%	10.6%	11.0%	11.5%

Cash on Cash Yield		4.4%	10.3%	55.1%	8.8%	9.5%	9.7%	138.6%
Holding Period Average	17.6%							

Levered Equity	14,379,428
Levered Profits	33,999,308
Levered Multiple	2.36x



IV. COMPARABLE MANHATTAN HOTEL TRANSACTIONS

MANHATTAN SALES COMPARABLES

Manhattan Independent Boutique Hotels

Transaction Comparables

Date	Name	Keys	Address	Buyer	Sale Price	Sale Price /Key	Implied Stabilized Valuation, Post Redevelopment
Jun-14	Mondrian Soho	270	150 Lafayette St	Sapir Organization Gerard Guez	205,000,000	759,259	34-36 W 38th Street
Feb-14	Standard High Line	337	848 Washington St	Standard International	400,000,000	1,186,944	Keys 114
Nov-13	Viceroy Hotel	240	120 W 57th St	ARC NYRR	148,500,000	618,750	Implied Valuation \$87,832,849
Apr-13	The James	114	27 Grand St	Prudential RE Investors	84,600,000	742,105	
Nov-12	Dream Downtown	315	355 W 16th St	Sahara India Pariwar	220,000,000	698,413	33 Peck Slip
May-12	Cassa NY Hotel	165	66 W 45th St	HNA Group	126,000,000	763,636	Keys 72
Nov-11	Cooper Square Hotel	145	25-33 Cooper Sq	Andre Balazs Properties Ironstate Dev	90,500,000	624,138	Implied Valuation \$55,473,379
Average						770,464	

DEEP MARKET WITH STRONG INVESTOR SUPPORT FOR THE 'BOUTIQUE' CONCEPT

- Considerable depth in the transaction market for independently-branded boutique 'lifestyle' hotels in Manhattan
- Availability of financing, wide pool of 'yield hungry' investors, and strong operating fundamentals continue to drive strong per-key valuations for well-developed hotel assets – **especially for those in primary locations** and those unencumbered by brand and management
- We expect a stabilized hotel venture at both of the subject development sites to attract a **deep pool of prospective investors** on exit, driving meaningful residual upside to the next investor



V. SALES PROCESS AND DEAL TEAM OVERVIEW

MARKETING STRATEGY

We recommend an accelerated sales process to take advantage of the current low rate environment and strong transaction market. Pre-marketing and discussions between UBS and Gemini can occur simultaneously, maximizing efficiency and timing. We anticipate selecting a buyer(s) by the end of 2014, and closing 1Q2015.

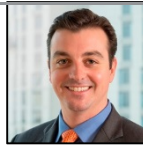
Pre-marketing	Marketing	Negotiation	Due Diligence	Closing
<i>Weeks 1 – 5</i>	<i>Weeks 6 – 11</i>	<i>Weeks 12 – 15</i>	<i>Weeks 16 – 21</i>	<i>Weeks 22 – 25</i>
Arrange necessary modifications to UBS loan	Personally present marketing material to targeted buyers and investors.	Apply knowledge of owner's objectives and goals.	Oversee the entire buyer due diligence process.	Participate in all conference calls to ensure timely transaction closing.
Pre-selection process of targeted buyers.	Coordinate Property tours.	Evaluate the qualifications and understand the underwriting of each investor.	Ensure that due diligence process milestones are achieved in a timely manner.	Maintain time pressure and backup options throughout to mitigate re-trade risks.
Due diligence review of all physical and financial issues.	Always available to answer questions and provide requested information.	Deliver comparison of offers and recommendations to owner.	Discuss any open issues with attorneys and disseminate supporting documentation.	
Prepare marketing materials.	Create competitive bidding environment.	Select a buyer(s).		
In-depth underwriting with supportable assumptions.				

GEMINI TEAM MEMBERS

CORE DEAL TEAM



Douglas P. Hercher
New York
Principal & Managing Director



Evan Hurd
New York
Director



David Smith
New York
Associate

MARKETING SUPPORT & ANALYTICS

INTERNATIONAL MARKETING SUPPORT

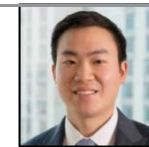


Robert B. Stiles
San Francisco
Principal & Managing Director

MARKETING & ANALYTICAL SUPPORT



Christopher M. Ropko
San Francisco
Director



Steve Chung
Los Angeles
Analyst



VI. ROBERTDOUGLAS: INTRODUCTION & QUALIFICATIONS

OUR APPROACH



The commitment we make to our clients is that we will:

Deliver Expertise

The leadership team at RobertDouglas brings over 50 years and \$50 billion of capital transaction experience, including many prestigious investment sales transactions, numerous joint venture equity raises, and many of the largest and most complicated structured financings completed in the industry.

Deliver Focus

There may be larger and older firms, but no other firm will commit as experienced and focused senior level resources to this assignment as RobertDouglas. The team you meet, from Analyst to Managing Director, is the team that will work with you through to the closing. Our incentives are aligned to encourage teamwork and cooperation to deliver optimal client solutions.

Deliver Relationships

The Principals of RobertDouglas have deep relationships with institutional capital partners, from domestic and offshore institutional equity providers to high net worth and family office equity sources. We are in tune with the nuances of the market and are able to put forward market supportable structures and optimized solutions that attract the right capital sources. Our access to capital providers worldwide also allows us to arrange every form of financing available in the market for hospitality assets.

Deliver Results

Our market intelligence, state-of-the-art process management, real estate knowledge and unrivaled relationships allow us to deliver results.

BIOGRAPHIES



DOUGLAS P. HERCHER

Principal & Managing Director

New York, NY

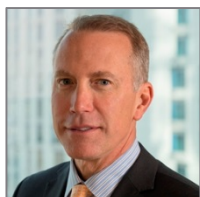
Mr. Hercher is a Founding Principal of RobertDouglas and brings 25 years of investment banking and capital markets expertise to the firm. He has held senior leadership positions at Jones Lang LaSalle Hotels, Lehman Brothers Global Real Estate, Sonnenblick Goldman and Cushman & Wakefield. During his career, Mr. Hercher has advised clients on in excess of \$40 billion of transactions including the acquisition, financing or recapitalization of more than 100 separate hotel, resort and lodging portfolios, totaling in excess of \$25 billion, and located throughout North America, Europe and the Caribbean. He also has extensive experience with gaming, retail, office and residential properties. Representative luxury hotel and/or gaming transactions arranged by Mr. Hercher include:

- *Regent Beverly Wilshire (Los Angeles), sale*
- *Four Seasons Inn on the Park, (Toronto, Ontario), sale & financing*
- *The Plaza Hotel (New York), sale*
- *Four Seasons Hotel (New York), sale*
- *Four Seasons Hotel (Milan, Italy), sale*
- *Hotel Plaza Athenee (New York), sale*
- *Eden Roc (South Beach, Miami)*
- *Ritz-Carlton Alexandria (Virginia), sale*

Mr. Hercher has been a member of numerous industry groups, as well as being registered with FINRA as a Series 24 Securities Principal. He is a regular speaker at industry events including speaking at the Federal Reserve Bank, and has contributed to articles in publications such as the Wall Street Journal, New York Times, Hotel Business, Bloomberg, REFI, and Real Estate Forum.

He has a Bachelor of Arts degree from Colgate University and a Master of Business Administration degree from Columbia University.

BIOGRAPHIES



ROBERT B. STILES

Principal & Managing Director

San Francisco, CA

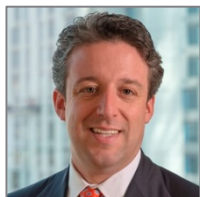
Mr. Stiles is a Founding Principal of RobertDouglas and brings more than 25 years of domestic and international experience in structuring and executing capital solutions and property sales for hotel investors and owners. Prior to co-founding RobertDouglas, Rob was the Co-Head of the National Hospitality Group at Cushman & Wakefield Sonnenblick-Goldman and previously held senior leadership positions as a Principal at Sonnenblick-Goldman and as the founding Group Managing Director of Horwath HTL in Asia. He joined Sonnenblick-Goldman as a Managing Director and Principal in early 1999 and has since completed many of the largest and most complex asset sale, financing and development transactions internationally, including the following sample of representative assets:

- *San Francisco Hilton Financial District, financing of leveraged buyout*
- *Residence Inn Sacramento Downtown, financing*
- *Hilton Los Cabos, financing*
- *The Beverly Hilton (Beverly Hills), JV equity recapitalization and financing*
- *The JW Marriott Union Square (San Francisco), sale*
- *The Montage (Beverly Hills), construction financing*
- *Hotel Hana Maui (Hawaii), sale*
- *Pan Pacific Hotel (San Francisco), sale*
- *Courtyard by Marriott Portfolio (40 hotel portfolio), financing*

Rob serves on the International Advisory Board of HOTELS Investment Outlook magazine, is the founder of HICAP, Asia's premiere hotel investment conference based in Hong Kong now in its 23rd year, and is a Co-Chairman of the International Lodging Finance Council (ILFC).

He has a Bachelor of Science degree with a focus in development and finance from Cornell University's School of Hotel Administration.

BIOGRAPHIES



STEPHEN E. O'CONNOR

Principal & Managing Director

Los Angeles, CA

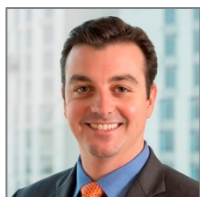
Mr. O'Connor is a Principal of RobertDouglas and brings 10 years of investment banking and capital markets expertise to the firm. He has held senior positions at Sonnenblick Goldman and Cushman & Wakefield. During his career, Mr. O'Connor has advised clients on in excess of \$4 billion of transactions, located throughout North America, representing a variety of structures that include dispositions, debt financings and equity recapitalizations for both single asset and portfolio transactions. Representative transactions arranged by Mr. O'Connor include:

- *JW Marriott Hotel (San Francisco), sale*
- *Maison 140 (Beverly Hills), sale*
- *The Wilshire Hotel (Los Angeles), sale*
- *Hotel Hana Maui (island of Maui), sale*
- *Pan Pacific Hotel (San Francisco), sale*
- *The Beverly Hilton (Beverly Hills), JV equity recapitalization and financing*
- *Montage Hotel and Residences (Beverly Hills), construction financing*
- *SLS at Beverly Hills (Los Angeles), acquisition construction/renovation financing*
- *Hilton Los Cabos Beach & Golf Resort (San Jose del Cabo), financing*
- *Marriott Canadian Hotel Portfolio (various), portfolio financing*

Mr. O'Connor served as the graduate teaching assistant to both the graduate and undergraduate Financial Economics courses at Cornell's Hotel School and is a member of the national chapter of the Cornell Hotel Society. He is a regular speaker at industry events, including the Hotel Asset Managers Association annual meeting, and has contributed articles to the Real Estate Finance Journal.

He has a Bachelor of Arts degree from Dartmouth College and a Master of Management in Hospitality degree from Cornell University.

BIOGRAPHIES



EVAN HURD

Director

New York, NY

Mr. Hurd is a Director at Robert-Douglas, and brings over ten years of experience in hotel equity acquisitions and consulting. Prior to joining Robert-Douglas in 2013, Mr. Hurd's experience includes three years at Cornerstone Real Estate Advisers, where he was involved in over \$750 million of hotel acquisitions on behalf of Cornerstone Hotel Income and Equity ("CHIEF") Fund II and a number of other institutional clients, as well as four years as Director of Acquisitions at HEI Hotels & Resorts. Mr. Hurd also spent two years in San Francisco with HVS International, a leading hospitality consulting and appraisal firm. While at HVS, Mr. Hurd was involved in the valuation of over \$2 billion in hotel assets.

During his career, Mr. Hurd has contributed to the acquisition of over \$1 billion in hotels and resorts as a principal, including:

- *Equinox Resort and Spa (Manchester)*
- *Le Meridien (Cambridge)*
- *Embassy Suites Tysons Corner (McLean)*
- *Embassy Suites (Waltham)*
- *Marriott (Burlington)*
- *Algonquin Hotel (New York)*
- *Doubletree (Downtown Houston)*

During his tenure at HVS International, Mr. Hurd was involved in a number of high profile valuations and feasibility studies including: Hotel Del Coronado, Coronado, California; Capella Pedregal Resort and Residences, Cabo San Lucas, Mexico; Manchester Grand Hyatt, San Diego, California; Omni Hotel, San Diego, California; and Hyatt at Olive 8 Hotel and Residences, Seattle, Washington.

He has a Bachelor of Science degree from Cornell University's School of Hotel Administration.

BIOGRAPHIES



CHRISTOPHER M. ROPKO

Director

San Francisco, CA

Mr. Ropko is a Director at RobertDouglas, where he focuses on raising capital for lodging and specialty leisure properties throughout North America. Immediately prior to RobertDouglas, Mr. Ropko was a Portfolio Manager and Commercial Real Estate Specialist at Pacific Investment Management Company (PIMCO). While at PIMCO, Mr. Ropko evaluated more than \$15 billion of investment opportunities involving CMBS, performing, sub- and non-performing loan portfolios, mezzanine loans, preferred equity and direct equity investments secured by all major property types, including hospitality assets.

Prior to joining PIMCO, Mr. Ropko was an Associate at Goldman Sachs in the Real Estate Principal Investment Area focused on acquisitions and asset management almost exclusively in the hospitality sector on behalf of the Whitehall series of private equity funds. While at Goldman, Mr. Ropko helped build out Whitehall's limited service hospitality acquisitions, asset, and property management platforms. During his career, Mr. Ropko has completed over \$4 billion in real estate transactions as a principal, including:

- *San Francisco Hilton Financial District, financing of leveraged buyout*
- *Equity Inns Portfolio, leveraged buyout*
- *Hilton Hotels Corporation, senior and mezzanine debt acquisitions*
- *Tharaldson/CNL Portfolios, preferred equity recapitalization*
- *Highland Hospitality Portfolio, mezzanine debt acquisition*
- *Kyo-ya Hotel Portfolio, mezzanine debt acquisition*

In addition to being registered with FINRA as a Series 7 General Securities Representative, Mr. Ropko is a recurring Guest Lecturer at USC's Marshall School of Business on the topic of hospitality real estate finance.

He has a Bachelor of Science degree from Cornell University's School of Hotel Administration.

AFFILIATED COMPANIES

We are affiliated with companies that are leaders in their respective fields to optimize and amplify the services we deliver to our clients.

By harnessing the lodging industry expertise of Warnick + Company and the high net worth investor relationships of The Alberleean Group - and combining it with our own extensive lodging industry transaction and capital markets expertise, we are able to deliver optimized solutions tailored to meet our clients' needs.



The power of experience applied

Warnick + Company is simply the best hospitality consulting firm in the nation. Over the years, they have built a team of skilled, advisors with extensive hands-on experience in virtually every aspect of the hotel industry, from operations, asset management, development, brokerage, and business strategy. Their client-focused, hands-on business philosophy is completely in sync with our own, making them the ideal solution oriented partner.

<http://www.warnickco.com/>



Empowering specialized investment banking teams

Our friends at **The Alberleean Group** know a good idea when they see one – and they know how to connect it to the right sources of capital to let it soar. By incubating seasoned banking teams with working capital, infrastructure and high net worth deal execution, they're not just creating solutions, but an entire financing community. Partnering allows us to tap into their pool of resources and talent – and put them to work for our clients.

<http://alberleean.com/>



INVESTMENT SALES



“ SELLING RIGHT – DELIVERED. ”

We understand that our clients want to get the best return on their investments – and we know what it takes to help them get there.

The principals behind RobertDouglas have completed more than 100 individual property or portfolio sales throughout North America and Asia – including some of the industry’s most iconic properties.

We understand that the sale process is the culmination for most owners of a long and careful effort that has focused on maximizing the value of their property through strategic asset management, renovation and market positioning.

Optimizing the value of our clients’ assets starts with understanding them – and this is where our team members bring their own unrivaled experience. They’ve been asset managers, consultants, F&B managers, appraisers, investors and lenders, so they understand how to sell the dream. They leverage this experience into the execution of investment sale transactions that help our clients get the most of out what they’ve put in. Selling right.

EQUITY



**“ LOOKING FOR A PARTNER? WE’VE
GOT THE RIGHT CONNECTIONS. ”**

Raising equity through a joint venture is often one of the best ways to accelerate an acquisition platform – it’s also one of the most complex.

RobertDouglas is a leader in raising joint venture, programmatic and entity-level equity for hospitality acquisitions and recapitalizations. We understand that these transactions require exceptional investor relationships and sophisticated negotiating and structuring experience.

With our combined 50 years of experience, we're in tune with the nuances of the market. We take the time to understand each client's needs and objectives and are able to put forward market supportable structures and solutions that attract the right capital partners – from domestic and offshore institutional equity providers to high net worth and family office equity sources.

FINANCING



**“ FINANCING CRITICALLY LEVERAGES YOUR EQUITY.
WE MAKE LEVERAGE WORK – FOR YOU. ”**

Not all debt is created equal – we will work with you to tailor financing structures that powerfully support your ownership objectives.

Our team has advised on more than \$50 billion of hospitality, leisure and gaming transactions, including many of the largest and most complicated structured financings completed in the industry. As a result, we understand what is achievable in the market and work with clients to deliver the most effective and responsive financing structures and lender relationships.

Our access to capital providers worldwide means that we can assist in arranging every form of financing available in the market for hospitality and leisure assets, including:

- Senior Financing
- Subordinate Secured Financing
- Mezzanine Financing
- Senior and Junior Unsecured Financing
- Bridge Financing
- Renovation/Construction Financing

ADVISORY SERVICES



“ IT’S A JUNGLE OUT THERE. TELL US WHERE YOU WANT TO GO – WE WILL TAKE YOU THERE. ”

Confused about your capital options? You are not alone. We’ll help you connect to the one that’s right for you.

The capital markets have never offered such a dizzying array of capital financing possibilities ranging from traditional senior and subordinate financing to preferred and/or convertible equity and heavily structured financings. Our partners have particular expertise in buyer advisory, capital restructuring, auctions, bankruptcy and work-outs.

What does this mean for you? Options. Lots of them – and they can be overwhelming. Based on your overall objectives, we help you sort through the various alternatives, and develop a capital plan that’s right for you.

LAUNCHED IN 2013 WITH INSTITUTIONAL CLIENTS

CANYON EQUITY

CORNERSTONE

WALTON ST
CAPITAL

KIMPTON®
hotels & restaurants

LUBERT-ADLER

LODGING
CAPITAL
PARTNERS, LLC

MUSEUM HOTELS

ROCKPOINT

THAYER
LODGING GROUP

MetLife®

DEBARTOLO
DEVELOPMENT

CASTLETON HOLDINGS, LLC

optima

MassMutual
FINANCIAL GROUP®

CANYON
CAPITAL REALTY ADVISORS

For more information on Robert Douglas, please visit our website at www.robert-douglas.com.

INVESTMENT TRANSACTIONS

The following investment transactions, representing gross disposition/acquisition sale proceeds of roundly \$4.3 billion of individual assets and \$6.4 billion of portfolios, highlight the experience of the senior team of Robert Douglas serving as either the selling broker or the lead acquisition/asset management party.

Domestic

Arizona

Wyndham Hotel & Resort (Scottsdale)

California

Beverly Rodeo Hotel (Beverly Hills)
Central Hotel LAX (Los Angeles)
DoubleTree (San Diego)
Four Points Hotel LAX (Los Angeles)
Hilton Harbor Island (San Diego)
Hilton LAX (Los Angeles)
Holiday Inn (San Francisco)
JW Marriott (San Francisco)
Maison 140 (Beverly Hills)
Nikko Hotel (Los Angeles)
Pan Pacific Hotel (San Francisco)
Radisson Fisherman's Wharf (San Francisco)
Regent Beverly Wilshire (Beverly Hills)
St. James Hotel (West Hollywood)
Wilshire Hotel (Los Angeles)

Colorado

Hotel Jerome (Aspen)
Vail Athletic Club & Hotel (Vail)

Florida

Best Western Lake Buena Vista (Orlando)
DoubleTree (Orlando)
Eden Roc (Miami)
Key West Lodge (Key West)
Royal Plaza (Orlando)

Georgia

French Quarter Suites (Atlanta)

Hawaii

Aqua Waikiki Pearl (Waikiki)
Hana Maui (Maui)
Hawaiian Regent (Waikiki)
Waikiki Beachcomber (Waikiki)

Illinois

Nikko Hotel (Chicago)

Maryland

DoubleTree Twin Plaza (Bethesda)
Embassy Suites (Chevy Chase)
Omni Hotel (Baltimore)

Massachusetts

DoubleTree (Waltham)
Le Meridien (Cambridge)
Marriott (Burlington)

Missouri

Renaissance (St. Louis)

Nevada

Emerald Suites (Las Vegas)

New Jersey

Marriott Hanover (Parsippany)
Radisson Hotel & Suites (Paramus)

New York

70 Park Hotel
Algonquin Hotel
Aloft Harlem
Barclay Inter-Continental
Beekman Tower (potential conversion)
Best Western Times Square Hotel
Brill Building (potential conversion)
Carlton Hotel
Crowne Plaza Times Square
Embassy Suites Battery Park City
Embassy Suites Midtown South
Empire Hotel
Essex House Hotel
Fairfield Inn Midtown South
Fitzpatrick Manhattan
Four Points Chelsea
Four Points SoHo
Four Seasons Hotel
Lombardy Hotel
Mansfield Hotel
Millennium Downtown
Millennium Times Square
Morgans Hotel
Muse Hotel
Paramount Hotel
Plaza Athenee
Plaza Hotel
Royalton Hotel
Sherry Netherland
Shoreham Hotel
St. Moritz Hotel (converted to Ritz-Carlton)
Surrey Hotel
Sutton Hotel
Taj Hotel on Lexington

Oregon

Portland Marriott Hotel (Portland)

Rhode Island

Newport Harbor Hotel (Newport)

Tennessee

Embassy Suites (Memphis)

Texas

DoubleTree (Houston)
Hotel Inter-Continental (Houston)
St. Anthony Hotel (San Antonio)

Utah

DoubleTree (Salt Lake City)

Vermont

Equinox Resort & Spa (Manchester)

Virginia

Embassy Suites Tysons Corner (Vienna)
Ritz-Carlton (Pentagon City)

Washington

Radisson SeaTac (Seattle-Tacoma)

Washington D.C.

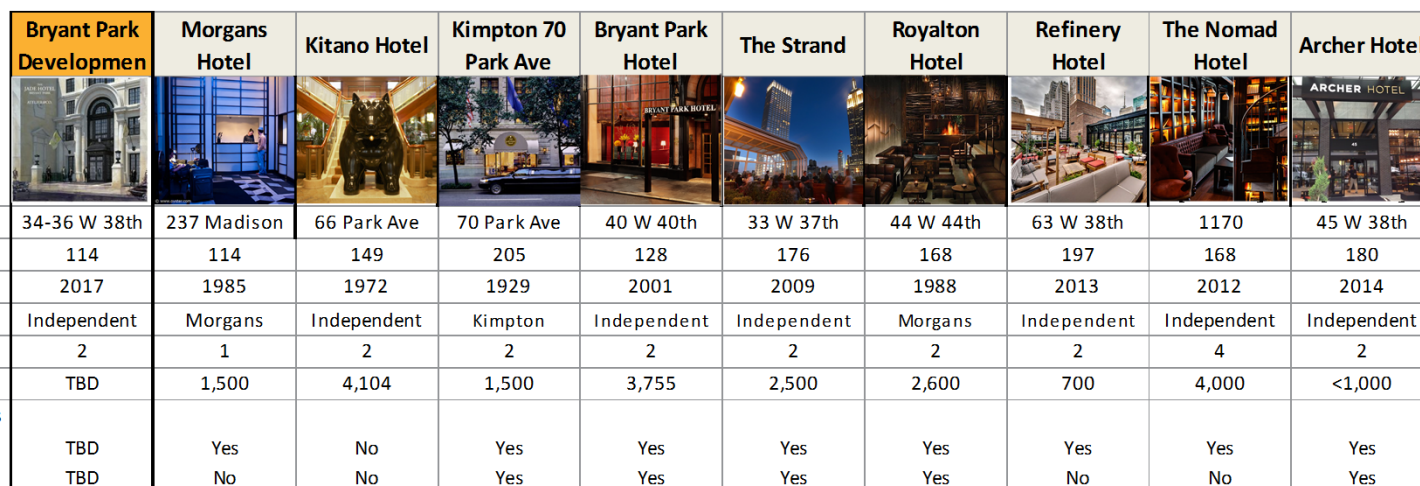
Crowne Plaza MetroCenter

International

Marriott Resort (Aruba)
Westin Hotel & Casino (Aruba)
Regent London (England)
Princess Resort & Casino (Grand Bahama Island)
Hilton (Guam)
Four Seasons Milan (Italy)
Sofitel Hotel (Montreal)
Sugar Bay Resort (St. Thomas, USVI)
Hilton Narita International Airport (Tokyo)
Rhiga Royal (Tokyo)
Wyndham Hotel (Toronto, Ontario)
Sutton Place Hotel (Toronto, Ontario)
Delta Chelsea Hotel (Toronto, Ontario)
Four Seasons Inn on the Park (Toronto, Ontario)
Chestnut Park Hotel (Toronto, Ontario)

Portfolios

Affinia Hotel Portfolio (6 hotels)
CNL Limited Service Hotel Portfolio (32 hotels)
Encore Portfolio (29 hotels)
Equity Inns Portfolio (137 hotels)
Holiday Inn Portfolio - NY, CT, NJ (5 hotels)
Holiday Inn Portfolio - Oahu (2 hotels)
Highland Hospitality (30+ hotels)
Tharaldson Portfolio (138 hotels)



DISCLAIMER

THIS IS A BROKER OPINION OF VALUE AND SHOULD NOT BE CONSIDERED AN APPRAISAL. In making any decision that relies upon RobertDouglas' analysis, you should know that RobertDouglas has not followed the guidelines for development of an appraisal or analysis contained in the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. This analysis does not conform with the uniform standards of professional appraisal practice, which require valuers to act as unbiased, disinterested third parties with impartiality, objectivity and independence and without accommodation of personal interest.

This opinion is based upon RobertDouglas' general knowledge of the marketplace as real estate brokers and should not be relied upon as a real estate appraisal prepared by professional appraisers. Without limiting the generality of the forgoing, it is understood that this opinion may not be used for purposes of obtaining financing in a federally related transaction or any other transaction. Furthermore, it is understood that you will not disclose this report or the source of this opinion to any other party without our prior consent.

With kind regards,

Douglas Hercher
Principal &
Managing Director

Evan Hurd
Director

David Smith
Associate

